



Institution Information

Inquiries

Questions about the information contained within this report can be directed to: usi1govrel@usi.edu

Links

USI planning, research, and assessment: <http://www.usi.edu/opra>

USI business office: <http://www.usi.edu/busaff/>

Audited Consolidated Annual Financial Report

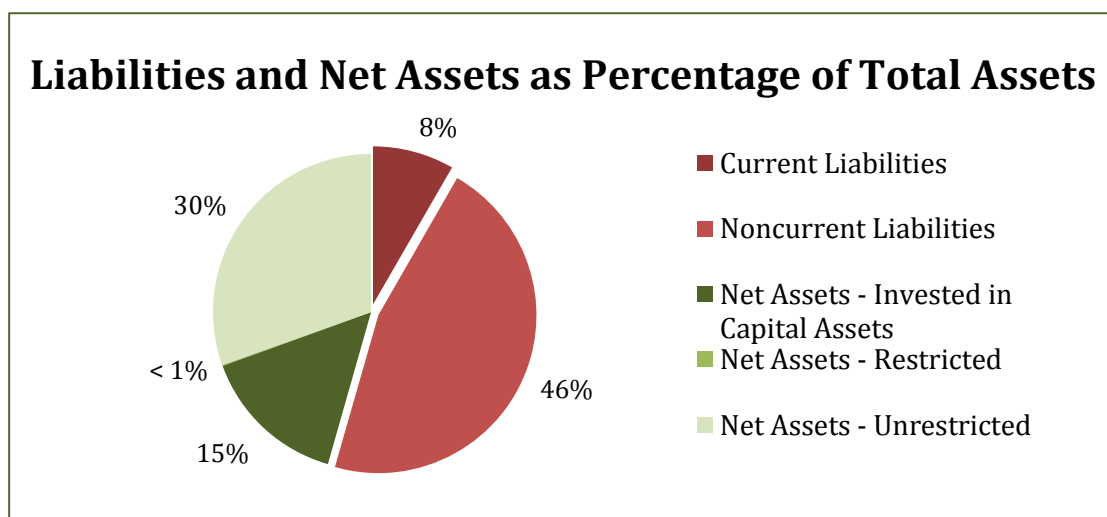
University of Southern Indiana's audited Consolidated Annual Financial Report for Fiscal Year Ended June 30, 2012 is available [here](#).

Appropriation and Allotments

Each biennium, the Indiana General Assembly appropriates funds to University of Southern Indiana. Appropriations are the legal amount upon which an agency is entitled to draw. Allotments represent the actual amounts of appropriations that University of Southern Indiana expended. At the end of the fiscal year, unspent general fund appropriations revert back to the state and cannot be spent during the next budget year. These figures exclude dedicated funds, which do roll over to the following fiscal year.

| <i>General Funds for Fiscal Year Ended June 30, 2012</i> | | |
|--|----|-------------------|
| Appropriations | \$ | 51,578,674 |
| Allotments | \$ | <u>51,578,673</u> |
| Difference | \$ | <u><u>1</u></u> |

Capital Structure



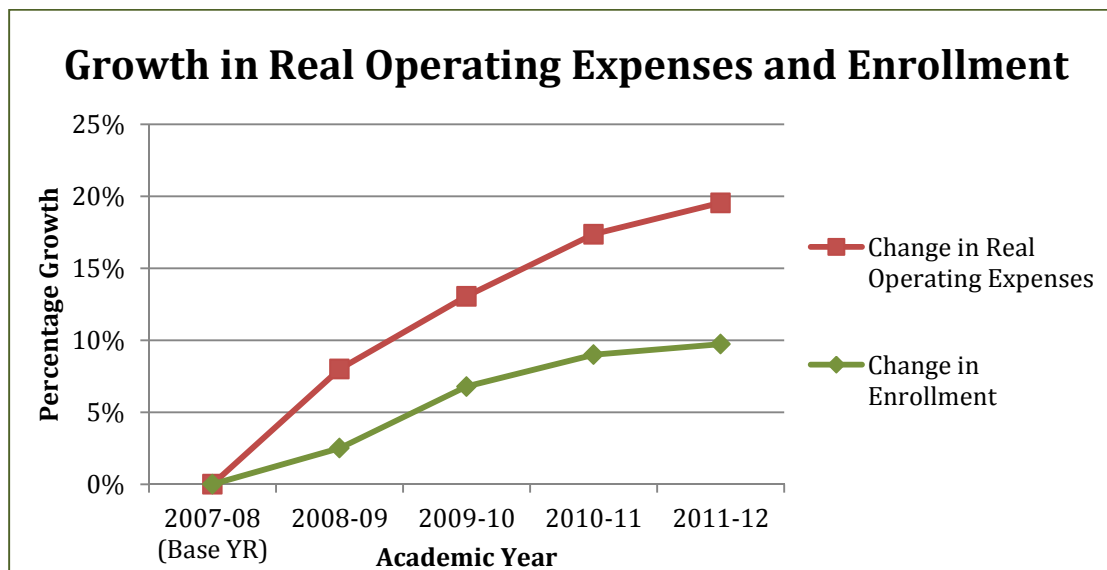


An institution's **capital structure** is the mix of debt and net assets it uses to fund its activities. Liabilities represent obligations that an institution must repay, while net assets represent the net worth of the institution. A large amount of debt is usually an indicator that an institution is investing heavily in capital projects.

The five components of capital structure are:

- **Current Liabilities** – Debt to be repaid within the current year
- **Noncurrent Liabilities** – Debt to be repaid sometime after the current year is over
- **Net Assets – Invested in Capital Assets** – The net value of an institution's buildings and major equipment
- **Net Assets – Restricted** – Institutional funds legally restricted to a specific purpose, such as endowment investments
- **Net Assets – Unrestricted** – The remaining value of an institution after subtracting out all other categories

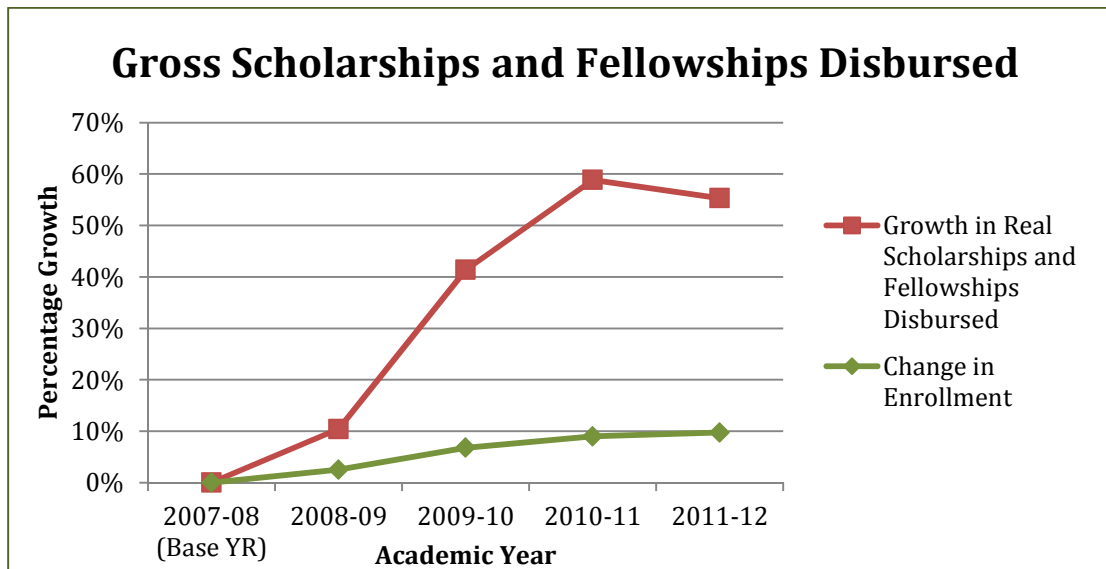
Growth in Real Operating Expenses



This figure illustrates how increasing student enrollment affects USI's day-to-day **Real Operating Expenses**. The effects of inflation were removed by adjusting Operating Expenses based on the Higher Education Price Index (HEPI).

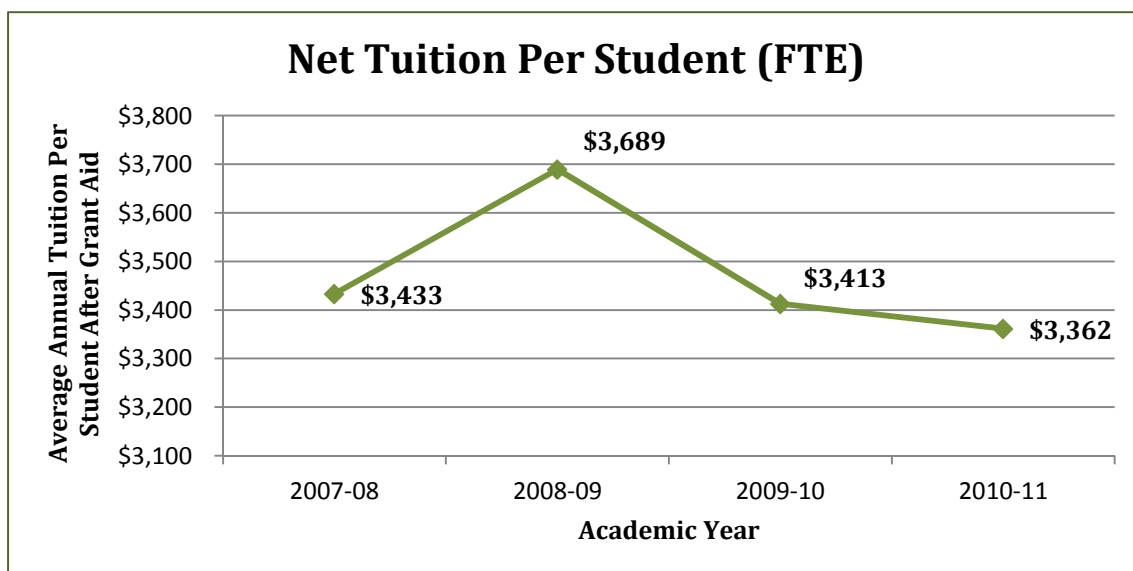


Growth in Gross Financial Aid Disbursed (Inflation-Adjusted)



Gross Scholarships and Fellowships are defined as outright grants-in-aid, trainee stipends, tuition and fee waivers, and prizes awarded to students. This figure shows percentage growth in total **Gross Scholarships and Fellowships** disbursed since the base year as compared to growth in enrollment.

Average Cost of Tuition, After Grant Aid[†]



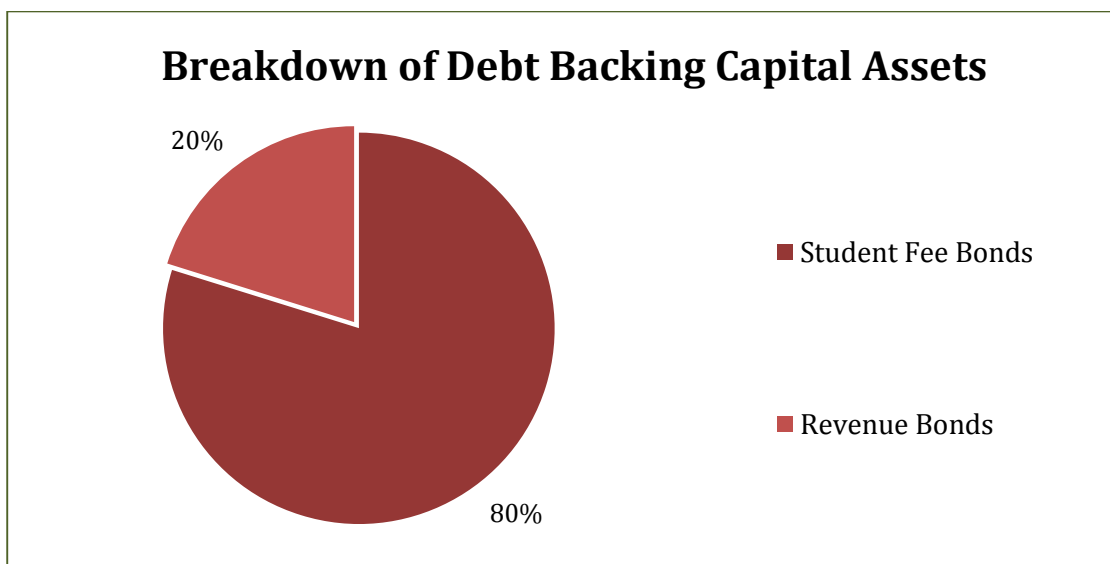
[†] AY 2011-12 data unavailable at time of publication



Net Tuition is defined as an institution's gross tuition & fee revenue minus all federal grant aid, state and local grant aid, and grant aid from institutional resources. In order to arrive at **Net Tuition Per Student (FTE)**, Net Tuition is divided by total student enrollment (Full-Time Equivalents).

This figure illustrates how much the average student pays either out-of-pocket or with student loans for a year's tuition at USI. **Net Tuition Per Student (FTE)** is a more realistic measure of the cost of tuition than the "sticker price" tuition because it accounts for all financial grant aid that USI pays out to help lower the cost of attendance.

Long-Term Debt Backing Capital Assets



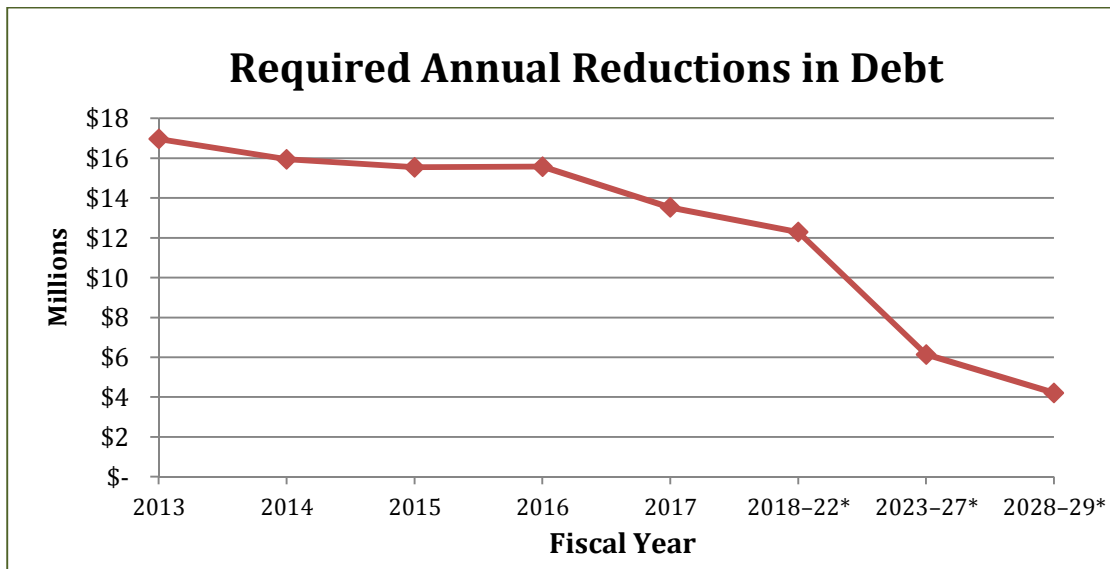
This figure shows the various debt instruments that make up USI's \$131,010,659 in capital asset debt as percentages of that value.

Student Fee Bonds are repaid with student fees but are often reimbursed by the State. The shared nature of their repayment usually makes them less of a burden on the institution than other sources of debt.

Revenue Bonds are claims on the revenues from a new project in exchange for financing its construction.



Scheduled Debt Reduction



*Average annual payment during this period

According to the terms of its existing debt agreements, USI must pay down its outstanding debt by the above amounts for each fiscal year shown. Assuming USI were to take out no new debt, its annual debt service payment would be down to \$4.2 million, or **5.8% of current operating revenues**, by 2029.

Outstanding Debt

For the purposes of this section, outstanding debt refers only to remaining principal.

Uses

A **Student Fee Bond** is debt issued to finance general academic projects that primarily benefit students. Uses of Student Fee Bonds include, but are not limited to: academic and instructional buildings, labs and classrooms; administrative student support functions, etc. These bonds generally hold first lien on student fees. Projects funded through this type of debt benefit all students attending an institution.

A **Revenue Bond** is debt issued to finance auxiliary projects. Auxiliaries are business operations that are not related to academic instruction and exist to furnish goods or services to students, employees, and other institutional departments, such as parking, residence and dining halls, bookstores, research enterprises, and athletics. These bonds generally hold first lien on specific auxiliary-generated revenues.

Other Obligations vary from institution to institution. One example is debt issued to finance energy savings projects. Certificates of Participation, where the project is leased to a third party and proceeds from the lease are used to pay for the debt, are also common.



Debt by Type and Sources of Repayment

Student Fee Bonds

| Series | \$ Outstanding | Repayment |
|--------|----------------|----------------------------------|
| D | \$1,036,544 | Fee replacement |
| F | \$1,600,000 | Fee replacement |
| G | \$2,600,000 | Student fees |
| H | \$16,165,000 | Fee replacement |
| I | \$31,710,000 | Fee replacement and student fees |
| 2006 | \$6,209,115 | Student fees |
| J | \$45,245,000 | Fee replacement and student fees |
| Total | \$104,565,659 | |

Revenue Bonds

| Series | \$ Outstanding | Repayment |
|--------|----------------|-------------------|
| 2001A | \$0 | Auxiliary revenue |
| 2003 | \$5,845,000 | Auxiliary revenue |
| 2008A | \$9,050,000 | Auxiliary revenue |
| 2011A | \$11,550,000 | Auxiliary revenue |
| Total | \$26,445,000 | |

Other Obligations

| Type | \$ Outstanding | Repayment |
|------|----------------|-----------|
| None | | |

Public Records

USI's public financial record page: <http://www.usi.edu/about/financing>

This website should contain, at a minimum, the following reports:

- Purchasing Business Diversity Report
- 100-R Personnel Report
- Operating budget requests
- Capital budget/item requests
- Space reports
- A-133 Federal Funds Audit Report
- Academic Program Requests



Sources

Appropriations:

Indiana State Budget Agency, *2011 – 2013 As Passed Budget*,
http://www.in.gov/sba/files/ap_2011_Details.xls

Allotments:

Indiana Auditor of State, *Agency Appropriation and Allotment Trial Balance Report*,
[http://www.in.gov/auditor/files/Agency Appropriation and Allotment Trial Balance Report - Pages 65-143.pdf](http://www.in.gov/auditor/files/Agency_Appropriation_and_Allotment_Trial_Balance_Report_-_Pages_65-143.pdf)

Capital Structure, Operating Expenses, Outstanding Debt, Required Annual Reductions in Debt:

University of Southern Indiana, *FY 2011 – 2012 Comprehensive Annual Financial Report*,
<http://www.usi.edu/busoff/pdf/12annual.pdf>

Gross Scholarships and Fellowships Disbursed, Net Tuition per Student (FTE):

Integrated Postsecondary Education Data System, <http://nces.ed.gov/ipeds/>

Student Enrollment (FTE):

CHE Data Submission System (as submitted by University of Southern Indiana)